

US EPA RECORDS CENTER REGION 5



514647

012446

0501000052

MEMO

TO: LP 3857-11

FROM: WGP

DATE: 9-1-71

Re: Settlement Conference with Reiersgord and Finch

Creosote is agreeable to removing all of the buildings and structures from the property as a part of a settlement.

There was a lengthy discussion about valuation and Reiersgord indicated that they believe that their figure of \$30,000 an acre or \$.35 a square foot is a figure that can be supported. We were unsuccessful in getting any commitment from them to a significant reduction in their demand.

Chris asked them to consider a tax-structured transaction, such as was done with Astleford. Reiersgord questioned whether this would be feasible in the present situation but agreed that he would submit this matter to Indianapolis for their reaction. I indicated that RAW would be pleased to work with them on this aspect of the case.

Reiersgord also asserted a claim that the official map proceedings on the north part of their property constitutes a cloud on the title that would be flagged by any examining attorney for a buyer. Unless the matter is settled relatively soon, he feels that they will be obliged to challenge this procedure. Reiersgord suggested that the defendant viewed the offer by the city as indicating that the city is no longer interested in acquiring the total property. We indicated that this was not true and that the offer merely reflected the nature of the original demand. Reiersgord suggested that the city should consider making an offer merely for the real estate necessary to construct Louisiana Avenue. Chris indicated that we would look into this.

There was a brief discussion about the possibility of Creosote selling this property to some developer who would then work with the city over the years to put together appropriate housing projects and similar developments. It appears that the Reilly Tar people are not interested in getting into the real estate business and are not willing to enter into this type of a long-range commitment.

OBSERVATIONS

It appears unlikely at this point that it is going to be possible to make a purchase of the entire property, unless something happens to revise upwards substantially the city's present valuation of value.

WGP/dnd

9502300